

STATE OF NEW YORK

5375

2025-2026 Regular Sessions

IN SENATE

February 21, 2025

Introduced by Sen. ASHBY -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to establishing the retire strong tax credit

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 606 of the tax law is amended by adding a new
2 subsection (qqq) to read as follows:

3 (qqq) Retire strong tax credit. (1) For purposes of this subsection:

4 (A) "Qualified taxpayer" means a resident individual of the state who
5 is sixty-five years of age or older during the tax year they file; who
6 owned and primarily resided for six months or more of the taxable year
7 in real property that either received the enhanced STAR exemption
8 authorized by section four hundred twenty-five of the real property tax
9 law, or that qualified such taxpayer to receive the enhanced school tax
10 relief credit authorized by subsection (eee) of this section.

11 (B) "Qualified gross income" means the adjusted gross income of a
12 qualified taxpayer for the taxable year for federal income tax purposes
13 and, for taxable year two thousand twenty-five computed without regard
14 to the last sentence of subsection (a) of section six hundred seven of
15 this part. In computing qualified gross income, the net amount of loss
16 reported on Federal Schedule C, D, E, or F shall not exceed three thou-
17 sand dollars per schedule. In addition, the net amount of any other
18 separate category of loss shall not exceed three thousand dollars. The
19 aggregate amount of all losses included in computing qualified gross
20 income shall not exceed fifteen thousand dollars.

21 (C) "Residence" means a dwelling in this state owned by the taxpayer
22 and used by such taxpayer as such taxpayer's primary residence, and so
23 much of the land abutting it, not exceeding one acre, as is reasonably
24 necessary for use of the dwelling as a home, and may consist of a part
25 of a multi-dwelling or multi-purpose building including a cooperative or

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 condominium. Residence includes a trailer or mobile home, used exclu-
2 sively for residential purposes and defined as real property pursuant to
3 paragraph (g) of subdivision twelve of section one hundred two of the
4 real property tax law.

5 (D) "Qualifying real property taxes" means all real property taxes,
6 special ad valorem levies and special assessments, exclusive of penal-
7 ties and interest, levied by a taxing jurisdiction on the residence
8 owned and occupied by a qualified taxpayer and paid by the qualified
9 taxpayer during the taxable year, provided that to the extent the total
10 amount of real property taxes so paid includes school district taxes,
11 the amount of the school tax relief (STAR) credit claimed pursuant to
12 subsection (eee) of this section, if any, shall be deducted from such
13 amount.

14 A qualified taxpayer may elect to include any additional amount that
15 would have been levied by a taxing jurisdiction and paid by the quali-
16 fied taxpayer in the absence of an exemption from real property taxation
17 pursuant to section four hundred sixty-seven of the real property tax
18 law. If tenant-stockholders in a cooperative housing corporation have
19 met the requirements of section two hundred sixteen of the internal
20 revenue code by which they are allowed a deduction for real estate
21 taxes, the amount of taxes so allowable, or which would be allowable if
22 the taxpayer had filed returns on a cash basis, shall be qualifying real
23 property taxes. If a residence is an integral part of a larger unit,
24 qualifying real property taxes shall be limited to that amount of such
25 taxes paid as may be reasonably apportioned to such residence. If a
26 taxpayer owned and occupied two residences in the state during different
27 periods in the same taxable year, qualifying real property taxes shall
28 be the sum of the prorated qualifying real property taxes attributable
29 to the taxpayer during the periods such taxpayer occupied each of such
30 residences. A taxpayer who owned and occupied a residence in the state
31 for part of the taxable year and rented a residence in the state for
32 part of the same taxable year, may include the proration of qualifying
33 real property taxes on the residence owned. Provided, however, for
34 purposes of the credit allowed under this subsection, qualifying real
35 property taxes may be included by a qualified taxpayer only to the
36 extent that such taxpayer or the spouse of such taxpayer occupied such
37 residence for one hundred eighty-three days or more of the taxable year,
38 owned the residence and paid such taxes.

39 (2) The credit amount allowed under this subsection shall equal fifty
40 percent of qualifying real property taxes paid; however this amount
41 shall not exceed sixty-five hundred dollars.

42 (3) No credit shall be granted under this subsection:

43 (A) To a property owner if qualified gross income for the taxable year
44 exceeds three hundred thousand dollars.

45 (B) To a property owner unless: (i) the property is used for residen-
46 tial purposes; (ii) not more than twenty percent of the rental income,
47 if any, from the property is from rental for nonresidential purposes;
48 and (iii) the property is occupied as a residence in whole or in part by
49 one or more of the owners of the property.

50 (C) To an individual with respect to whom a deduction under subsection
51 (c) of section one hundred fifty-one of the internal revenue code is
52 allowable to another taxpayer for the taxable year.

53 (D) With respect to a residence that is wholly exempted from real
54 property taxation.

55 (E) To an individual who is not a resident individual of the state for
56 the entire taxable year.

1 (4) In the case of a taxpayer who has itemized deductions from federal
2 adjusted gross income, and whose federal itemized deductions include an
3 amount for real estate taxes paid, the New York itemized deduction
4 otherwise allowable under section six hundred fifteen of this article
5 shall be reduced by the amount of the credit claimed under this
6 subsection.

7 § 2. This act shall take effect immediately and shall apply to taxable
8 years beginning on or after January 1, 2025.